



**State of Connecticut
Office of Health Care Access
CON Determination Form
Form 2020**

All persons who are requesting a determination as to whether a CON is required for a proposed project must complete this form. Completed forms should be submitted to the Commissioner of the Office of Health Care Access, 410 Capitol Avenue, MS#13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

SECTION I. PETITIONER INFORMATION

If more than 2 Petitioners, please attach a separate sheet of paper and provide additional information in the format below:

	Petitioner	Petitioner:
Full legal name	Housatonic Valley Radiological Associates, P.C.	
Doing Business As	Housatonic Valley Radiological Associates	
Name of Parent Corporation	N/A	
Mailing Address, if Post Office Box, include a street mailing address for Certified Mail	67 Sand Pit Road Danbury, CT 06877	
Petitioner type (e.g., P for profit and NP for Not for Profit)	Profit	
Name of Contact person, including title	Conrad Ehrlich, M.D.	
Contact person's street mailing address	67 Sand Pit Road Danbury, CT 06877	
Contact person's phone, fax and e-mail address	Tel. (203) 797-1770 Fax (203) 796-7839 MECPE15@aol.com	

SECTION II. GENERAL PROPOSAL INFORMATION

- a. Proposal/Project Title: Relocation of Existing Mobile MRI Unit from New Milford Office to Ridgefield Office
- b. Location of proposal (Town including street address): 38 Grove Street, Ridgefield, CT 06877
- c. List all the municipalities this project is intended to serve: Ridgefield and surrounding communities
- d. Estimated starting date for the project: September, 2005
- e. Type of Entity: (Please check *E* for Existing and *P* for Proposed in all the boxes that apply)

E	P		E	P		E	P	
<input type="checkbox"/>	<input type="checkbox"/>	Acute Care Hospital	<input type="checkbox"/>	<input type="checkbox"/>	Imaging Center	<input type="checkbox"/>	<input type="checkbox"/>	Cancer Center
<input type="checkbox"/>	<input type="checkbox"/>	Behavioral Health Provider	<input type="checkbox"/>	<input type="checkbox"/>	Ambulatory Surgery Center	<input type="checkbox"/>	<input type="checkbox"/>	Primary Care Clinic
<input type="checkbox"/>	<input type="checkbox"/>	Hospital Affiliate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Other (specify): <u>Private Physician Office</u>			

SECTION III. EXPENDITURE INFORMATION

- a. Estimated Total Capital Expenditure/Cost: \$165,000
- b. Please provide the following breakdown as appropriate: (may not represent the aggregate shown above)

New Construction/Renovations	\$100,000
Medical Equipment (Purchase)	
Imaging Equipment: Owned. No purchase needed.	\$65,000 (FMV)
Non-Medical Equipment (Purchase)	
Sales Tax	None
Delivery & Installation	N/A
Total Capital Expenditure	\$165,000
Fair Market Value of Leased Equipment	
Total Capital Cost	\$165,000

Major Medical and/or imaging equipment acquisition:

Equipment Type	Name	Model	Number of Units	Cost per unit
Mobile 1.0 T MRI	Siemens	Impact	1	\$65,000 (FMV of previously acquired unit)

Note: Provide copy of contract with vendor for medical equipment. See Exhibit A attached.

c. Type of financing or funding source:

- ☒ Operating Funds
 ☒ Lease Financing
 ☐ Conventional Loan
☐ Charitable Contributions
 ☐ CHEFA Financing
 ☐ Grant Funding
☐ Funded Depreciation
 ☐ Other (specify): _____

SECTION IV. PROPOSAL DESCRIPTION

Please attach a separate 8.5" X 11" sheet(s) of paper and provide no more than a 2 page description of the proposed project, highlighting all the important aspects of the proposed project. Please be sure to address the following (if applicable):

1. Currently what types of services are being provided? If applicable, provide a copy of each Department of Public Health license held by the Petitioner.
2. What types of services are being proposed and what DPH licensure categories will be sought, if applicable?
3. Will you be charging a facility fee?
4. Who is the current population served and who is the target population to be served?
5. Who will be providing the service?
6. Who are the payers of this service?

SECTION V. AFFIDAVIT

Applicant: Housatonic Valley Radiological Associates, P.C.

Project Title: Relocation of Existing Mobile MRI Unit from New Milford Office to Ridgefield Office

I, Conrad Ehrlich MD, President of Housatonic Valley Radiological Associates, P.C., being duly sworn, depose and state that the information provided in this CON Determination form is true and accurate to the best of my knowledge, and that Housatonic Valley Radiological Associates, P.C. complies with the appropriate and applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486 and/or 4-181 of the Connecticut General Statutes.

Conrad P. Ehrlich
Signature

6/24/05
Date

Subscribed and sworn to before me on June 24, 2005

Rita W. Garland
Notary Public/Commissioner of Superior Court

RITA W. GARLAND
NOTARY PUBLIC

My commission expires: My Commission Expires 8/31/08

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HEALTH CARE ACCESS

PROJECT DESCRIPTION

Housatonic Valley Radiological Associates, P.C. ("HVRA") is a private radiology practice with offices in Danbury, Southbury and New Milford. For more than 25 years HVRA has been providing outpatient imaging services, including general diagnostic x-ray, fluoroscopy, vascular studies, ultrasound, CT scanning, MRI, diagnostic and screening mammography, and DEXA scanning, to residents of Ridgefield and its surrounding community from its Danbury office. HVRA intends to establish an office in Ridgefield in order to better serve this community. The Ridgefield office will be a private physician office and, therefore, no Department of Public Health license will be necessary in order to provide the proposed services.

HVRA proposes to provide MRI services at its new Ridgefield office. HVRA proposes to relocate the mobile 1.0 Tesla MRI unit presently in operation at its New Milford office to the Ridgefield office. The existing mobile MRI unit was acquired at a capital cost of less than \$400,000 and was therefore not the subject of a certificate of need ("CON"). The present fair market value of this unit is \$65,000. The total capital cost associated with the proposed relocation is \$165,000 (including construction/renovation). Given that the total capital cost of the proposed relocation is less than \$400,000, no CON is required.

The target population to be served by HVRA's Ridgefield office will include residents from Ridgefield, Redding, and Wilton. MRI services will be provided by HVRA physicians and staff. Payers for the service will include private pay, Medicare, Medicare managed care, Medicaid managed care, traditional indemnity insurance, and health maintenance organizations. No facility fee will be charged.

Establishing an office in Ridgefield where HVRA will offer mobile MRI services will enhance the health care delivery system in Western Connecticut by providing area residents and referring physicians with increased access to much-needed, high-quality MRI scanning services.



Appraisal (Short form)

June 29, 2005

HVRA's Siemens Mobile Impact Magnetic Resonance (MRI) system

Any estimation of "fair market value" should be consistent with trends in the market for similar assets at similar timeframes. Generally, market values can become susceptible over time to new product introductions, special sales promotions or even indirect influences such as a new or breakthrough medical procedure. In some instances market values can and have become volatile.

Keeping this in mind, I will describe what and approximately how much a willing buyer and willing seller would exchange for a specific asset at a mutually agreeable timeframe allowed for that exchange. Barrington Medical knows of this technology and is aware of transactions for this type or similarly configured mobile 1.0T MRI scanners.

It is important to understand that the current market is transitioning to smaller, lighter and much more efficient technology. The history of the Mobile Impact 1.0T MRI product produced by Siemens AG, Medical Engineering group, had variations of the end product, which may cause different fair market values to become evident. These deviations are the type of clinical configuration which was originally delivered and how sophisticated any upgrades over the life of the system have been installed on the system as either upgrades or enhancements. The magnet types are OR 41 and OR 42 which is actively shielded, which was produced by Oxford Magnet Technologies in England which today is still the preferred type of magnet offered by most vendors.

This Mobile Impact as configured is considered high field and a 1.7 meter magnet a long bore by today's standards, but is still a reliable product. While the value has leveled today the day-to-day operating efficiencies continue on the high side. Service contracts tend to be higher because of these phenomena, which in turn causes a downward pressure on perceived values of the prospective buyer.

It is the opinion of Barrington Medical Imaging, L.L.C. that the fair market value, (FMV), is \$65,000.00 to a prospective buyer. This market evaluation is not an offer to buy, but a compilation of known history and recent sales associated with this type of technology.

Barrington Medical Imaging, LLC

A handwritten signature in black ink, appearing to read 'Gregg A. Randall'.

Gregg A. Randall
Director National Accounts

Chicago Office & Warehouse:
Barrington Medical Imaging, L.L.C
22N159 Pepper Road
Lake Barrington, Illinois 60010
Tel: (847) 382-9732
Fax: (847) 382-3660

Web Site: www.BMIMED.com

Minneapolis Office:
Barrington Medical Imaging, L.L.C
1290 Oakview Road
Medina, Minnesota 55356
Tel: (763) 404-9066
Fax: (763) 404-9622